

Minutes of the Veneta Urban Renewal Agency

August 13, 2007

Present: Chairman T. J. Brooker, Darrell Carman, Thomas Cotter, Sharon Hobart-Hardin and Marion Esty

Others: Ric Ingham, City Administrator; Margaret Boutell, Community Services Director; Darci Henneman, Assistant City Recorder; Amie Collins, Project Coordinator; and Jeneca Jones, West Lane News

1. CALL TO ORDER

Mayor Brooker called the Urban Renewal Agency meeting to order at 8:48 p.m.

2. PUBLIC COMMENT

None

3. CONSENT AGENDA

The consent agenda as approved included minutes for July 23, 2007.

MOTION: Thomas Cotter made a motion to approve the consent agenda. Sharon Hobart-Hardin seconded the motion, which passed with a vote of 5-0.

Vote: Marion Esty, aye; Thomas Cotter, aye; Mayor Brooker, aye; and Darrell Carman, aye; and Sharon Hobart-Hardin, aye.

4. PROPERTY ACQUISITION POLICY

Amie provided a final draft of the property acquisition policy to Agency members. In order for the Agency to acquire property as stated in the Urban Renewal Plan, policies and procedures need to be adopted. It's creation is also a recommendation of the Downtown Master Plan.

Staff drafted the policies and after review from the Agency and legal counsel, the final draft is ready for adoption.

In response to a question from Thomas Cotter, Ric said some real estate transactions may take longer than six months. By allowing appraisals to be valid for one year, the City could avoid possibly paying for more than one appraisal for the same property.

Minutes of the Veneta Urban Renewal

Page

1

August 13, 2007

Thomas Cotter said within a year's time property values can skyrocket. He would like to see some flexibility in the policy addressing the appraisal length issue.

Mayor Brooker said if a property value has increased drastically, the City could have another appraisal done even if the first one is still valid. Thomas Cotter agreed.

MOTION: Sharon Hobart-Hardin made a motion to approve the Property Acquisition Policy as presented. Darrell Carman seconded the motion, which passed with a vote of 5-0.

5. SDC - DISCUSSION (REDEVELOPMENT TOOLKIT)

Ric said staff was hopeful of an official opinion and approval from Jeff Tashman and his legal counsel on the SDC deferral and waivers included in the redevelopment toolkit. Once Mr. Tashman has agreed, staff will bring the toolkit back to the Agency for final adoption.

Staff felt the SDC's will be significant bargaining chip for the City and future development.

Ric said the Agency would assume up to 50% of the water and waste water deferred SDC's on a potential business.

Staff had discussions with Paul Thomas, System Development Charge Coordinator with LCOG. He discussed the transportation SDC's with Jeff Tashman. He said several communities within their Urban Renewal districts are waiving 50% or more of their transportation SDC's as long as that area is serviced by a municipal transit line and if the Urban Renewal District is working to enhance additional bus or transit services to the area. Staff is saying there should be additional incentives for SDCs.

In response to a question from Darrell Carman, Ric said if a business became delinquent on their SDC's and the business closed. A new business could come and want the same location. That new business would only be charged the delinquent SDCs owing from the previous business. They would only pay the balance of what the previous business owed. If a different type of business wanted the same location and had a different level of SDC's, they would only be charged the difference between the SDCs. Another scenario is the

SDC's obligations could already be met. Legal counsel advised the City can assess the unpaid SDC's to the next business coming in.

In response to a question from Mayor Brooker, Ric gave an example of how the process would work. There were \$30,000 owing in SDCs and a 10 year deferral program was established. At the end of three years \$10,000 had been paid; the City paid \$5,000 and the business paid \$5,000; \$20,000 is owing. If the business closed and a new business came in, the new business would pay the \$20,000 SDC balance. If they met all the original criteria, they could negotiate with the City to set up a 10 year deferral program to pay the \$20,000.

When a new business came in and met all criteria, the Agency would defer their SDC's for a 10 year period. The Agency would assume 50% of those deferral payments which would allow the Agency to strength Urban Renewal dollars out over that 10 year deferred period. He said in four or five years there would be individual reviews of each business to determine whether they are meeting all criteria.

Mayor Brooker is concerned with taking 50% of the transportation SDC. The City would still have a good portion of infrastructure issues on Broadway that require money from the street and water funds. He said those street improvement costs would be up-front charges to the City. He said we should try to recover the majority of those through SDCs, especially transportation SDCs.

Ric said the recovered SDCs would be for future demand on the system.

Mayor Brooker said the City is paying the infrastructure costs up-front for the future demand.

Ric said the City would have to structure the SDCs so there's a reimbursement clause for any existing SDCs to be reimbursed for existing infrastructure. But that's not the case with water and sewer. Transportation SDCs will be a different situation. He said the important issue staff is trying to get across is that we know businesses are going to want to relocate along the Highway and we could bring to the table the idea of the City paying 50% of their start up costs to entice them to set up shop on West Broadway.

Minutes of the Veneta Urban Renewal

Page

3

August 13, 2007

Mayor Brooker questioned whether the City should be reimbursed for the cost of infrastructure the City is installing prior to the businesses coming. He suggested a reimbursement factor in the transportation SDC.

Ric said the City can decide what areas the transportation waivers will apply to.

In response to a question from Thomas Cotter, Ric said a business employing less employees will have less SDC obligation. A larger business employing several people will have a larger SDC obligation. The percentage to be met is the same but the dollar amount is greater.

6. REDEVELOPMENT TOOLKIT INFORMATION PACKET

Ric said there would be no changes to water and sewer the way it's current proposed but the 50% waiver of the transportation SDCs, changes to the SDC ordinance are needed and to identify the specific areas they would be eligible. The Urban Renewal Agency could provide a 50% waiver for sewer and water but not transportation SDCs.

In response to a question from Darrell Carman, Ric said in order for the Agency to have the SDC waiver as a tool in the toolkit, the ordinance requires changing. The toolkit is a function of the Agency not the City.

In response to a question from Darrell Carman, Ric said transportation SDCs will pay for future demands on the all forms of transportation within the City.

Ric said the ultimate goal is to reduce the future demand on transportation systems within the City. By creating businesses and jobs, the impact may be different on Highway 126 as opposed to West Broadway.

In response to a question from Darrell Carman, Ric said the justification for reducing the transportation SDCs will reduce the transportation pressures.

7. OTHER

Amie said her last day at the City will be August 30th. Staff interviewed four R.A.R.E. students. Ric is waiting to hear from the University of Oregon representatives if the participants' and other community choices are the same.

8. ADJOURN

Mayor Brooker adjourned the Veneta Urban Renewal Agency at 9:28 p.m. and returned to Veneta City Council Executive Session.

T. J. Brooker, Mayor

ATTEST:

Darci Henneman, Assistant City Recorder
(prepared by dhenneman)

Minutes of the Veneta Urban Renewal

Page

5

August 13, 2007